

FISCAL NOTE

Bill #: HB0020

Title: Eliminate Governor's economic development program

Primary

Sponsor: Butch Waddill

Status: As Introduced

Sponsor signature _____ Date _____

Chuck Swysgood, Budget Director _____ Date _____

Fiscal Summary

	<u>FY 2003</u> <u>Difference</u>	<u>FY 2004</u> <u>Difference</u>	<u>FY 2005</u> <u>Difference</u>
Expenditures:			
General Fund	(204,500)	(350,000)	(350,000)
Net Impact on General Fund Balance:	204,500	350,000	350,000

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. The statutory appropriation was previously reduced by \$127,500 in FY 2003 pursuant to the reductions in 17-7-140, MCA, which left a balance of \$225,000. ($\$350,000 - \$127,500 = \$225,000$)
2. The statutory appropriation would be pro-rated according to the number of months remaining in the fiscal year, or according to what has already been spent and committed.
3. One FTE is being paid from this statutory appropriation. The statutory appropriation would be reduced by \$350,000 less the amount paid the employee through the end of August, 2002, and less the state's liability for sick and annual leave. This total is about \$20,500.

FISCAL IMPACT:

	FY 2003 <u>Difference</u>	FY 2004 <u>Difference</u>	FY 2005 <u>Difference</u>
<u>Expenditures:</u>			
Personal Services (Statutory)	20,500		
Operating Expenses (Statutory)	<u>(225,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>
TOTAL	(204,500)	(350,000)	(350,000)
<u>Funding:</u>			
General Fund (01)	(204,500)	(350,000)	(350,000)
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>			
General Fund (01)	204,500	350,000	350,000

TECHNICAL NOTES:

1. The effective date contained in the bill is "on passage and approval". Since the bill could not pass until sometime in August, the FY 2003 appropriation of the funds would already have occurred. The bill does not mention prorating or reducing the appropriation. The bill could be interpreted that the statutory appropriation would not be made beginning in FY 2004 since the FY 2003 appropriation has already been made, although this is evidently not the intention of the bill. The effective date of the bill should be changed; some adjustment must be made to allow for expenditures and obligations already made out of the statutory appropriation.